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**Testimony of Claire Salant, Lead Budget and Policy Analyst
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To the New York City Council Committees on General Welfare and Immigration
Oversight on the 30- and 60-Day Rules for Asylum Seekers
Tuesday, November 19, 2024**

Good morning Deputy Speaker Ayala, Chair Avilés, and members of the Committees on General Welfare and Immigration. I am Claire Salant, Lead Budget and Policy Analyst on Social Services at the New York City Independent Budget Office (IBO). I am joined here today by my colleague Jacob Berman, Director of the Social and Community Services Team. Thank you for the opportunity to testify today.

I am here to discuss the City's implementation of 30- and 60-day shelter exit policies for asylum seekers, referred to in this testimony as new arrivals. The City justified the need for exit policies, and historic changes to the City's longstanding right-to-shelter policy, on the assumption that they would reduce the population and the high costs related to new arrivals. IBO's May 2024 [report](#) noted that these management strategies are not purely money savers, but may generate new costs and have negative consequences on a vulnerable population. Just yesterday, the Mayor [announced](#) new policies to address some of these consequences, implicitly acknowledging problems with this strategy that began over a year ago.

Since 2022, more than 220,000 new arrivals have entered the City. Providing services for these new arrivals has cost approximately \$5.2 billion over the last two years, about a third of which has come from the State (all years refer to City fiscal years). For context, the total cost in 2024 was \$3.75 billion, which represents less than 3% of the total City budget including all funds. Actual spending has been materially lower than the City's forecasts, and the number of new arrivals entering the City has been declining rapidly in recent months. Nevertheless, the City continues to budget very high costs for this population moving forward: \$4.7 billion in 2025, and \$7.85 billion in the outyears as of the Adopted Budget. This assumes costs will increase this year and next year compared with 2024, despite a declining population.

In my testimony, I will first discuss the history of the City's shelter policy and the exit policy announcements since last fall. For families with minor children, IBO's testimony highlights the particularly negative impacts on students, whose educational outcomes are likely to be worse when they are forced to move. Finally, it is worth noting that the City did not prioritize cost controls as a goal through the first two years that new arrivals came to NYC.

History of the City’s Sheltering Policies and New Exit Policies

Traditionally, the City has provided shelter primarily through providers contracted by the Department of Homeless Services (DHS) under the City’s Department of Social Services (DSS). In September 2022, the Mayor announced the first shelters specifically for new arrivals operated by other city agencies (referred to as “non-DHS shelters”), beginning with Orchard Beach. In May 2023, the City began operating the Roosevelt Hotel as an Arrival Center to connect new arrivals to shelters. Over the last year, the City has created separate exit policies for adults, including single individuals and adult families, and families with minor children. Policies have differed by shelter (DHS or non-DHS) and household type.

Adults. The City began to impose time limits for some shelter stays in September 2023, beginning with 60-day time limits for adults in non-DHS shelters.ⁱ The City reduced these time periods to 30 days by October, and by November received permission from the State to issue 30-day time limits to adults in DHS shelters as well.ⁱⁱ

In March 2024, the City and Legal Aid entered into a [stipulation modifying the consent judgment](#) entered into between the City and Legal Aid Society in *Callahan v. Carey* (referred to as the "Legal Aid Settlement") for new rules regarding adults in both DHS and non-DHS shelters. This followed a lawsuit filed in September 2022. Beginning in May 2024, all adults in both types of shelter began receiving exit notices after 30 days, or 60 days for young adults 18-23, with exemptions for people with documented disabilities.ⁱⁱⁱ The agreement created two paths for extensions, allowing adults to remain in the shelter system but not necessarily in the same location. Individuals should receive an automatic extension if they can become eligible for public benefits by applying for asylum or Temporary Protected Status, a status designated by New York State for residents Permanently Residing Under the Color of Law (PRUCOL).^{iv} If individuals do not have PRUCOL status, they can apply for an “extenuating circumstance” extension based on a points system, including whether they have made “significant” efforts to find housing or have imminent medical or legal proceedings.

Families with minor children. The City has also imposed 60-day time limits for asylum-seeking families with minor children in non-DHS shelters, starting in October 2023 with the first expiration dates in January 2024. Unlike the process for adults, families with children are still guaranteed shelter, but not necessarily in the same place. They must return to the Arrival Center for a new placement. In late August 2024, the State gave the City permission to impose the same time limits within DHS shelters, but there has not yet been a public timeline for implementation of time limits within DHS.

Exit Policy Implementation

According to data IBO obtained from the Administration, as of November 1, 2024, approximately 20,600 adults in families with minor children had a first exit notice expire. Of this group, about 58% have left the system and the remaining 42% are still residing in City shelters. For those who returned to the Arrival Center for a new placement, 89% are in different shelter facility and 11% are in the same facility.

For individual adults, approximately 51,000 people have had a first exit notice expire, including approximately 3,400 young adults. The City has evaluated 37,606 individuals for PRUCOL extensions and granted 85% of these extensions. For those who do not have PRUCOL status, the City has screened 3,227 cases for extenuating circumstances and granted 33% of these extensions.

Estimated Negative Consequences of Exit Policies. Many of the impacts of exit policies are social and emotional, and not easily quantifiable. In April 2024, IBO [estimated](#) some potential negative consequences of these exit policies using available quantitative data. Some of these consequences reflect the opportunity, indirect, or direct costs for individuals forced to exit shelter—which could impact the larger New York City community.

- First, IBO looked at the consequences of challenges to getting mail, including missed work authorizations and other legal documents, as individuals move shelter locations and/or out of the shelter system, with an impact of up to \$1 billion on the local economy. To the extent that New York’s population is decreasing, and there are concerns about the size of the labor force, any action that prevents available employees from gaining jobs that they can perform is a strain on the local economy.
- Second, IBO looked at the potential healthcare consequences associated with a potential increase in street homelessness for at least a portion of the year, given that exit policies did not guarantee a place to stay for individuals, with an impact of up to \$870 million.
- Lastly, IBO estimated the potential costs of new bus requests for students who resided in non-DHS shelters up to \$30 million, given that the City is legally required to allow students to stay in the same school and provide transportation.

Because these consequences may be shouldered by individuals, government, businesses, or nonprofits, some or none of which might be paid for by governmental entities, IBO does not know how much of these costs have come to fruition.

Since the City’s new exit policies began in May 2024, there has been considerable reporting on the challenges of missed mail^v, with individuals missing work authorizations as well as court notices and other crucial information. The New York City Comptroller’s Office also found that the City does not have “policies and procedures or training materials regarding mail retention and change of address.”^{vi} There has also been a visible rise in encampments around shelters, as adults are either not given an extension or placed too far from their original shelter location.^{vii}

IBO has not yet analyzed the specific impacts of the exit policies on students, although research suggests there are likely negative educational consequences. Robust research suggests that students who have long commutes to school, and/or who switch schools mid-year—both of which are likely consequences of the exit policies—have worse attendance and academic performance.^{viii} Longer commutes and switching schools are likely especially disruptive for low-income students in temporary housing, who at baseline have worse attendance and academic outcomes than their low-income stably housed peers.^{ix} Finally, these disruptions can negatively affect the peers of students subject to exit policies, as schools navigate the movement of students in and out. As data

become available, IBO expects to conduct additional analyses related to school mobility and student outcomes in the wake of the shelter exit policies. IBO looks forward to sharing that research in the future.

Yesterday morning, Mayor Adams announced that the City will create a centralized mail location, to guarantee that new arrivals can continue to get important legal documents even when they have to move facilities or leave the shelter system.^x While this will make a significant difference going forward, it will not address the potentially thousands of new arrivals who may have already lost essential documents. The Mayor also announced that families with minor children from kindergarten through sixth grade will be able to stay in the same facility. This will reduce educational and social disruption as well as associated transportation costs for these families, but not for families with older students. While all students in temporary housing are entitled to free transportation under federal law, only students in grades kindergarten through sixth grade are eligible for bus service; older students may receive a student One Metro New York (OMNY) card, unless their special education status entitles them to bus service.

Spending

One year ago, in the November 2023 Financial Plan, the City estimated that costs related to new arrivals would total \$4.7 billion in 2024 and \$6.1 billion in 2025. A year later, actual costs were almost \$1 billion lower for 2024, at \$3.75 billion, and the City has already reduced the 2025 budget by over \$1 billion, to \$4.75 billion. This reduction comes even as the City has continued to use for-profit vendors and emergency contracts (without competitive bidding) for much longer than is typical.^{xi} IBO expects the 2025 budget estimate to shrink even further in the coming November 2024 Financial Plan, given that the population entering the City has been falling since January 2024 and exits have outpaced entries for most of the last year. Furthermore, IBO expects the budgeted amounts in the outyears, over \$7 billion annually, to be similarly reduced.

As the new budget comes out, IBO will be looking at the revised budget for 2025 through 2028, as well as updating IBO estimates based on recent population data, which will reflect the impact of the exit policies. IBO is also factoring in the considerable uncertainty arising from the outcome of the federal election earlier this month.

Thank you for the opportunity to testify and I will be happy to answer any questions.

ⁱ Mays, J. (2023, May 23.) New York City Asks for Relief From its Right-to-Shelter Mandate. *The New York Times*. [New York City Asks for Relief From Its Right-to-Shelter Mandate - The New York Times \(nytimes.com\)](https://www.nytimes.com/2023/05/23/nyc-right-to-shelter-mandate.html)

ⁱⁱ Sundaram, A. (2023, Nov 14.) NYC expands 30-day stay limits to single adult migrants in DHS shelters. *Gothamist*. <https://gothamist.com/news/nyc-expands-30-day-stay-limits-to-single-adult-migrants-in-dhs-shelters>

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- ⁱⁱⁱ The settlement originally was to begin in April but was not implemented until May. See: Marcelo, P. (2024, May 22.) NYC is beginning to evict some people in migrant shelters under stricter rules. *Associated Press*. [NYC is beginning to evict some people in migrant shelters | AP News](#)
- Ferré-Sadurni, L. (2024, May 22.) New York Begins a New Wave of Evictions From Migrant Shelters. *New York Times*. <https://www.nytimes.com/2024/05/22/nyregion/migrant-evictions-shelter-adams.html>
- ^{iv} New York State Office of Temporary and Disability Assistance. (2023, May 12.) General Information (GIS) Message: Non-citizens recognized as Permanently Residing Under Color of Law (PRUCOL) for Safety Net Assistance (SNA) Eligibility. [Untitled \(state.ny.us\)](#), <https://otda.ny.gov/policy/gis/2023/23DC039.pdf>
- ^v Parra, D. (2024, Jul 22). Missed Mail is Complicating Migrants' Immigration Cases, Exacerbated by Shelter Deadlines. *City Limits*. [Missed Mail is Complicating Migrants' Immigration Cases, Exacerbated by Shelter Deadlines](#)
- Ferré-Sadurni, L. (2024, Sep 3). Migrants in N.Y. Shelters Face Surprising Challenge: Getting Their Mail. *New York Times*. [Migrants in N.Y. Shelters Face Surprising Challenge: Getting Their Mail - The New York Times](#)
- ^{vi} Office of New York City Comptroller Brad Lander. (2024, May 9.) Report on the Investigation of the Implementation of the “60-Day Rule” for Asylum-Seeker Families. [Report on the Investigation of the Implementation of the “60-Day Rule” for Asylum-Seeker Families](#)
- ^{vii} Hogan, G. (2024, Aug 7.) Migrants Ejected from Island Mega-Shelter Set Up Camp Outside. *The City*. [Migrants Ejected from Island Mega-Shelter Set Up Camp Outside | THE CITY — NYC News](#)
- Venuogopal, A. (2023, Jul 20.) For some migrants in NYC, a tent encampment under the BQE is now home. *Gothamist*. [For some migrants in NYC, a tent encampment under the BQE is now home - Gothamist](#)
- Ferré-Sadurni, L. (2024, Aug 19.) New York City Moves to Shut Down a Growing Encampment. *New York Times*. [NYC Moves to Shut Down a Growing Migrant Encampment - The New York Times](#)
- ^{viii} Hopson, L. M., Lidbe, A. D., Jackson, M. S., Adanu, E., Li, X., Penmetsa, P., ... Abura-Meerdink, G. (2022). Transportation to school and academic outcomes: a systematic review. *Educational Review*, 76(3), 648–668. <https://doi.org/10.1080/00131911.2022.2034748>. Welsh, R. O. (2017). School Hopscotch: A Comprehensive Review of K–12 Student Mobility in the United States. *Review of Educational Research*, 87(3), 475–511. <https://doi.org/10.3102/0034654316672068>
- ^{ix} McDermott, Z. (2022). Different Students, Differential Success? How Three Vulnerable Student Populations—Students with Disabilities, Sexual and Gender Minorities, and Students Experiencing Homelessness—Fare in Three Different Educational Contexts. *ProQuest Dissertations & Theses Global*. <https://www.proquest.com/docview/2700994872/186A00EAE8BE4651PQ/1?accountid=12768>
- See also: IBO education indicators on students in temporary housing for attendance from [2022-2023](#), achievement for [grades 3-8](#), and achievement [grades 9-12](#).
- ^x Venugopal, A. (2024, Nov 18.) NY migrant families can stay in shelters longer to keep kids in school. *Gothamist*. [NY migrant families can stay in shelters longer to keep kids in school - Gothamist](#)
- ^{xi} Office of New York City Comptroller Brad Lander. (2024, Aug 6.) Audit of the Department of Housing Preservation and Development’s Oversight of Its Contract with Rapid Reliable Testing NY LLC (aka DocGo). [Audit of the Department of Housing Preservation and Development’s Oversight of Its Contract with Rapid Reliable Testing NY LLC \(aka DocGo\) :Office of the New York City Comptroller Brad Lander](#)
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- New York City Council City Council. (2023, Oct 23.) Committee Report and Briefing Paper on the Finance, Legislative, and Oversight & Investigation Divisions. [The New York City Council - File #: T2023-4154](#)